

Idaho Grain Market Report, June 12, 2020—NEW CROP PRICES

Published weekly by the Idaho Barley Commission
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Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday June 10, 2020. Barley prices in \$/Cwt. And wheat prices in \$/bu.

	Barley (Cwt.) FEED 48 lbs or better	MALTING Open Market Malting	Wheat (bu.) Milling #1 SWW	#1 HRW 11.5% Protein	#1 DNS 14% Protein	#1 HWW
Rexburg / Ririe	6.25		4.14	4.32	4.83	4.32
Idaho Falls		8.30-8.33	4.30	4.30	5.15	4.30
Blackfoot / Pocatello		7.06	4.30	4.30	5.15	4.30
Grace / Soda Springs	6.50			4.13	4.93	4.13
Burley / Rupert	5.80		4.06	4.51	4.91	4.51
Twin Falls / Buhl Jerome / Wendell	6.50		4.40	4.10	4.95	4.10
Nampa / Weiser			NA			
Nezperce / Craigmont	4.71		5.05	5.07	5.91	
Lewiston	5.23		5.31	5.33	6.20	
Moscow / Genesee	4.74-4.93		5.08-5.15	5.10-5.22	5.87-5.94	

Prices at Selected Terminal Markets, cash FOB

Wednesday June 10, 2020. Barley prices in \$/Cwt. And wheat prices in \$/bu.

	#2 Feed Barley 46 lbs. --	Malting Barley	#1 SWW	#1 HRW 11.5% Protein	#1 DNS 14% Protein	#1 HWW
Portland			5.80-5.95	5.98-6.03	6.30-6.70	
Ogden	7.50		4.07	4.23	5.03	4.23
Great Falls	4.60-6.00			4.86-4.90	5.20-5.34	
Minneapolis						

Market News and Trends This Week

BARLEY—Idaho cash feed barley prices were down \$0.25 to up \$0.20 for the week ending June 10. Idaho cash malt barley prices were unchanged for the week. No net barley sales were reported by USDA FAS for the 2020/2021 marketing year, which began June 1. A total of 9,200 MT in sales were carried over from the 2019/2020 marketing year, which ended May 31. Accumulated exports were 41,100 MT, down 3 percent from the prior year's total of 42,500 MT. Exports for the period ending May 31 totaled 500 MT, with Japan being the destination. There were no exports for the period ending June 1.

Barley and Beer Industry News—This year's French winter barley harvest is expected to be 11.7 percent smaller than last year's as wet plantings last autumn and dry spring weather have hampered both yields and planted area. In its first estimate of the winter barley crop and just weeks away from the start of the harvest, the French Ministry of Agriculture pegged the size on the winter crop at 8.17 million MT, 9.1 percent below the five-year average. Wet weather last autumn prevented farmers from drilling the intended area, with the final winter barley area down by 1 percent on the year at 1.29 million ha, some 6 percent below the five-year average. A wet start of the year followed by dry spring weather cut expected yields for Europe's largest cereal grower to 6.32 mt/ha, down 10.9 percent on the year. "After the difficulties of setting up in the fall, which have weighed on the planted area, winter barley has indeed suffered, like other crops, from the spring drought, especially in the North East of France," the ministry said. In other news, Australian barley output during the 2020/21 season will total 10.6 million tonnes - up more than 15 percent from its previous estimate of 9.1 million tonnes in March. The larger production, however, comes as Australian barley exports face bleak export prospects after China imposed more than a 80 percent tariff on Australian supplies last month.

Published by the Idaho Barley Commission (IBC) weekly except for weeks with major holidays. Information included is from reliable sources and every effort is made to ensure accuracy on the date of publication, but no independent review has been made and we do not guarantee completeness or accuracy. Use of this information is at your own discretion and risk. Editors: Laura Wilder, IBC Executive Director, lwilder@barley.idaho.gov and Wren Hernandez, IBC Office Manager, whernandez@barley.idaho.gov. Office Phone: 208-334-2090.

Market News and Trends This Week—continued

WHEAT—Idaho cash wheat prices were mixed for the week ending June 10. SWW prices ranged from down \$0.15 to down \$0.10 from the previous week; HRW prices were down \$0.28 to up \$0.09; DNS prices were down \$0.21 to up \$0.75; and HWW prices were down \$1.24 to up \$0.08. USDA FAS reported net export sales for 2020/2021 for the period May 29-June 4 at 270,400 MT. Increases were to Guatemala (96,000 MT), the Philippines (71,500 MT), Indonesia (66,200 MT), China (63,000 MT), and Colombia (29,800 MT). Exports of 334,900 MT brought the accumulated export total 24,812,200 MT which are up 2 percent from the previous year.

Wheat News—The US hard red winter wheat harvest continued to make good progress last week despite hurricane season slowing fieldwork and threatening to damage crops still standing in fields, weekly harvest data from industry body US Wheat Associates showed Friday, according to Agricensus. “As two weather fronts merged on Tuesday, extremely high winds (40-50 mph (64-80 km/h) with isolated gusts to over 80 mph (129 km/h) blanketed the Southern and Central Plains, raising concerns about lodging,” the report said. That did not stop the HRW harvest hitting 49 percent complete in Texas and 36 percent in Oklahoma, while the first fieldwork of the year took Kansas to 1 percent complete. Yields continued to show a wide range with some crops suffering the effects of a freeze earlier this year and drought in the later stages, ranging from 20-60 bu/ac (1.3-4 mt/ha). Test weights are averaging at 62 lb/bu (77.5 kg/hl) in a 58-65 lb/bu range, with protein averaging 11 percent and ranging from 9-14 percent. The first quality test results from Texas are expected to be published next Friday. For the SRW crop, Alabama reached 33 percent complete, with North Carolina at 17 percent, Virginia at 10 percent, and 7 percent in Tennessee. The first assays from a small sample size in Arkansas put moisture at 13.7 percent (above a 12.6 percent average over the past five years) and protein at 9.6 percent (9.6 percent average), which put protein at 11.1 percent on a dry matter basis (just above at 11 percent average). The average thousand kernel weight of the samples was 32.5g (32g average) and the falling number was 294 seconds (304 seconds).

CORN—USDA FAS reported net export sales for 2019/2020 for period May 29-June 4 of 660,700 MT, increases were primarily to Japan (266,900 MT), Colombia (128,700 MT), South Korea (114,800 MT), Mexico (90,200 MT), and Saudi Arabia (59,500 MT). Exports of 1,241,200 MT were to Mexico (293,700 MT), South Korea (237,300 MT), Japan (208,000 MT), Peru (129,800 MT), and Israel (61,900).

Ethanol Corn Usage—DOE’s Energy Information Agency (EIA) reported ethanol production for the week ending June 5 averaged 837 thousand bbls/day – up 9.41 percent from the previous week and down 23.63 percent from last year. Total ethanol production for the week was 5.859 million barrels. Ethanol stocks were 21.802 million bbls on June 5, down 3.00 percent from last week and unchanged from last year. An estimated 85.44 million bu of corn was used in last week’s production bringing this crop year’s cumulative corn usage for ethanol production at 3.73 billion bu. Corn used needs to average 99.088 million bu per week to meet USDA estimate of 4.95 millions bu for the crop year.

Futures Market News and Trends—Week Ending June 11, 2020

FUTURES MARKET SETTLEMENT PRICES for the Week Ending Thursday, June 11, 2020:

Commodity	July 2020	Week Change	July 2020	Week Change	September 2020	Week Change	December 2020	Week Change
CHI SRW	\$4.99¾	-\$0.16	\$5.05¾	-\$0.14½	\$5.15½	-\$0.15	\$5.25½	-\$0.14½
KC HRW	\$4.47	-\$0.14¼	\$4.55¾	-\$0.13½	\$4.68½	-\$0.12½	\$4.81	-\$0.11½
MGE DNS	\$5.13¼	-\$0.05½	\$5.26	-\$0.04¾	\$5.40¾	-\$0.04½	\$5.54	-\$0.04½
CORN	\$3.29¾	-\$0.01½	\$3.35	-\$0.00½	\$3.43¾	-\$0.01½	\$3.55½	-\$0.01½

WHEAT FUTURES—Wheat futures prices were down as wheat stocks increased. **Wheat futures prices ranged from down \$0.16 to down \$0.04½ (per bu) compared to the previous week.**

CORN FUTURES—Corn futures prices were down for the week with a decrease in exports. **Corn futures prices ranged from down \$0.00½ to up \$0.01½ (per bu) under the previous week.**

CRUDE OIL FUTURES—Crude oil futures fell as the inventory stockpile in the U.S. as came out much higher than expected, perhaps tempered by lowest production numbers in 20 months.

EIA reported U.S. crude oil refinery inputs averaged 13.5 million bbls/day during the week ending June 5, 2020 was 178 thousand bbls/day more than last week’s average. Refineries operated at 73.1% of capacity last week. As of June 5, there was an increase in Crude Oil stocks of 5.720 million bbls from last week to 538.065 million bbls, over the 5-year average of 473.228 million bbls. Distillate stocks increased by 1.568 million bbls to a total of 175.829 million bbls, over the 5-year average of 136.047 million bbls; while gasoline stocks increased by 0.866 million bbls to 258.661 million bbls, over the 233.788 million bbl 5-year average. The national average retail regular gasoline price was \$2.036 per gallon on June 8, \$0.062 higher than last week’s price but \$0.696 under a year ago. The national average retail diesel fuel price was \$2.396 per gallon, down \$0.010 per gallon from last week’s level and down \$0.709 from a year ago.

NYMEX Crude Oil Futures finished the week ending Thursday, June 11, 2020 to close at \$36.34/bbl (July contract), down \$3.21 for the week.

USDA Crop Progress/Condition Report—June 8 2020

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition Rating % Good/Excellent	Previous Week	Previous Year
US Winter Wheat Harvested	7%	3%	3%	7%	51%	51%	64%
ID Winter Wheat Harvested	-	-	-	-	-	-	-
US Spring Wheat Emerged	81%	67%	80%	91%	82%	80%	81%
ID Spring Wheat Emerged	96%	95%	88%	92%	74%	-	-
US Barley Planted	97%	93%	96%	99%	-	-	-
ID Barley Planted	99%	98%	98%	99%	-	-	-
US Barley Emerged	87%	74%	82%	87%	79%	69%	84%
ID Barley Emerged	95%	91%	91%	94%	71%	54%	-
US Corn Planted	97%	93%	78%	94%	75%	74%	59%
US Corn Emerged	89%	78%	57%	84%			

USDA U.S. Crop Weather Highlights—June 10, 2020

West—Freeze warnings in Colorado’s San Luis Valley. Above normal temperatures across the Pacific Coast States and the Desert Southwest. Dry conditions in the West favor fieldwork. Rangeland and pastures rated 50% very poor to poor in California, 39% in Colorado, 38% in New Mexico, and 32% in Oregon.

Plains—Cool, dry conditions. Drought intensifies across portions of the southern Plains. As of June 7, 23-24% of the winter wheat was rated very poor to poor in Kansas, Oklahoma, and Texas, 38% of Colorado’s crop was rated very poor to poor.

Corn Belt—Rain, windy conditions in the upper Great Lakes region. Showers and windy conditions in the Midwest. Cooler conditions in the western Corn Belt. Heat and high humidity east of the Mississippi River.

South—Cool air from the Mississippi Delta westward. Hot, humid, wet conditions in the Southeast. Showers in the western Gulf Coast region, especially across Deep South Texas.

Outlook for U.S.— Showers and thunderstorms in the central and eastern U.S. Rainfall total could reach 1-2 inches. Rainfall totals in the middle and southern Atlantic States could reach 2-4 inches. Below normal temperatures in the Far West and from the Mississippi Valley eastward. Occasional showers in the Northwest. Little to no precipitation in the western and central U.S. The NWS 6-10 weather outlook for June 15-19 calls for above normal temperatures across the Plains, Southwest, Northeast, and upper Midwest. Cooler than normal temperatures in the Southeast and Northwest. Below normal rainfall across most of the country. Wetter than normal conditions in southern Florida, across the Northwest, and along the mid-Atlantic Coast.

International Crop Weather Highlights—June 9, 2020

Europe— Rainfall in western Europe favoring late filling winter crops in Spain, France and Germany and eased drought in England. Cool, wet conditions in eastern Europe maintained good soil moisture for reproductive to filling winter crops and vegetative spring grains and summer crops.

Middle East— Rainfall in northern and western Turkey benefiting vegetative corn, cotton, and sunflowers. Dry conditions elsewhere promoted winter crop harvesting and other seasonal fieldwork.

Asia— Flooding rainfall in western India in coastal rice and sugarcane areas with moderate rainfall inland, promoting cotton and oilseed planting. Heavy rainfall boosted moisture supplies for rice in southern China. Rainfall favored vegetative corn and soybeans in the northeast. Rainfall in the northern section of the region as rice sowing continues.

Australia— Dry conditions in the northeast reduced soil moisture for sown winter wheat. Rainfall in the southeast benefited winter crop establishment. Sunny conditions in the west promoted winter crop development.

South America— Rainfall in southern Brazil favored immature corn and emerging to vegetative wheat. Summer crop harvesting and winter grain planting progressed in Argentina. Rainfall in the northeast promoted establishment of newly sown wheat and barley.

Mexico— Tropical rain in the Yucatan Peninsula.

Canada— Dry conditions promoted Prairie spring grain and oilseed planting.

FSU— Rain in Moldova, Ukraine and southwestern Russia boosted moisture for reproductive to filling winter crops. Cool, dry conditions benefit spring grain planting northern Kazakhstan and central Russia.

World Agricultural Supply and Demand Estimates—June 11, 2020

WHEAT: U.S. 2020/21 wheat supplies are up on a larger crop and a slight increase in beginning stocks. The change in beginning stocks reflects a 5-million-bushel reduction in 2019/20 exports. Winter wheat production is forecast up 11 million bushels to 1,266 million with increases in Hard Red Winter and White Winter more than offsetting small decrease for Soft Red Winter. Total 2020/21 wheat production is now forecast at 1,877 million bushels, and total supplies are raised 16 million to 3,000 million. Domestic use and exports for the new marketing year are unchanged this month, and ending stocks are raised 16 million bushels to 925 million, which is a 6-year low.

World 2020/21 wheat supplies are raised 5.7 million tons on a 4.9-million-ton production increase and higher beginning stocks. India production is raised 4.2 million tons, and Australia is up 2.0 million, both on updated government statistics. India's crop is projected to be record-large, and Australia's crop is expected to rebound on improved conditions following two consecutive years of drought. Turkey and China are both increased by 1.0 million tons. Partly offsetting these changes are crop reductions of 2.0 million tons for the EU and 1.5 million for Ukraine, both reflecting dry conditions during key parts of the growing season. Projected 2020/21 global exports are raised 0.9 million tons to 188.9 million, led by a 2.0-million-ton increase for Australia on larger supplies, and a 1.0-million increase for Russia on reduced export competition from Ukraine. Exports are lowered 1.5 million tons for Ukraine and 0.5 million for the EU, both on smaller crops. With increased supplies, and global use lowered fractionally, world ending stocks are raised 6.0 million tons to a record-high 316.1 million, with China and India accounting for 51 percent and 10 percent of the total, respectively.

COARSE GRAINS: This month's 2020/21 U.S. corn outlook is little changed from last month, with fractional increases to beginning and ending stocks. Beginning stocks are raised, as a 45-million-bushel reduction in estimated production for 2019/20 is largely offset by a 50-million-bushel reduction in projected corn used for ethanol. Corn used for ethanol is lowered reflecting a slower-than-expected rebound in ethanol production as indicated by Energy Information Administration data during the month of May and into early June. For 2020/21, with supply up slightly and no changes to projected use, ending stocks are 5 million bushels higher at 3.3 billion bushels. The season-average farm price is unchanged at \$3.20 per bushel.

The global coarse grain production forecast for 2020/21 is raised 3.2 million tons to 1,484.6 million. This month's foreign coarse grain outlook is for larger production, increased use, and lower stocks relative to last month. Brazil corn production is raised based on higher expected area. Barley production is raised for the EU, based mostly on a forecast increase for the United Kingdom that is partly offset by a reduction for France. Barley production is raised for Australia, but lowered for Ukraine, India, and Russia. For 2019/20, Brazil corn WASDE-601-2 production is unchanged, as higher indicated area is offset by a reduction in yield. Yield prospects for much of the Center-West are generally favorable in contrast to the South where conditions have been poor.

Major global trade changes for 2020/21 include a larger corn export forecast for Zambia, with increases in corn imports for Thailand and Honduras. Barley exports are lowered for Australia, based on a reduction in projected imports for China. For 2019/20, corn exports are raised for Argentina but lowered for Brazil for the local marketing year beginning March 2020 based on observed data through early June. Foreign corn ending stocks for 2020/21 are lowered from last month, mostly reflecting reductions for China, Argentina, South Africa, and Paraguay that more than offset increases for Brazil and India.

BARLEY: The June 11 WASDE report shows the outlook for 2020/21 U.S. barley supplies with no changes for June at 281 million bushels. With projected yield and production at an estimated 75.8 bushels/acre yield and 2.4 million acres expected to be harvested. Projected use is at an estimated 188 million bushels, and projected imports at 7 million bushels. Ending stocks for 2020/21 are projected to be 93 million bushels. The season-average farm price is at \$4.30 on up-dated NASS prices.